



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

Johnny Sutton, U.S. Attorney

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FINAL GUILTY PLEA ENTERED IN SAN ANTONIO CITY HALL CORRUPTION CASE

United States Attorney Johnny Sutton announced today that Juan Pena, formerly with the Edinburgh office of the law firm of Heard, Linebarger, Goggan, Blair, Pena & Sampson (also known as Linebarger, Goggan, Blair, Pena & Sampson) pled guilty to federal charges in connection with a bribery scheme.

"Elected officials are in office to serve the people not line their pockets. No one can have faith in a government that can be bought," stated **U.S. Attorney Johnny Sutton**. "With this guilty plea the people of San Antonio will know that bribery and corruption will never be tolerated and will always be punished."

Appearing before United States District Judge Royal Furgeson this afternoon, Pena pled guilty to one count of conspiracy to commit bribery and one count of bank fraud. In pleading guilty, Pena admitted that from January 2002 to October 2002, he conspired with Jack Pytel, a sole practitioner in the city of San Antonio, and former San Antonio City councilmen Enrique "Kike" Martin and John Sanders in a bribery scheme that centered on the City of San Antonio's private contract to collect unpaid fines and fees. Pena also admitted that in connection with the conspiracy he guaranteed a \$25,000 bank from Lone Star National Bank to co-defendant Jack Pytel, knowing that the credit application submitted in support of that loan was materially false and a portion of the proceeds were to be used to complete payments to councilmen Martin and Sanders.

Pena is the fourth defendant to admit his guilt in this scheme. On August 24, 2004, Martin pled guilty to one count of conspiracy to commit bribery. Martin admitted that he accepted cash payments in return for his vote on the fines and fees contract. Martin also assisted in arranging a meeting with Councilman Sanders, knowing that the purpose of that meeting was to offer Sanders a bribe in return for his vote. Martin understood that the purpose of his agreement with the others was to corruptly influence the business of the City of San Antonio.

On August 26, 2004, Sanders pled guilty to one count of bribery. In pleading guilty, Sanders admitted that on April 1, 2002, he accepted \$2,500 cash for changing his vote from supporting the Municipal Services Bureau, Inc., bid to supporting the bid of the law firm of Heard, Linebarger, Goggan, Blair, Pena & Sampson.

On September 9, 2004, Pytel pled guilty to conspiracy to commit bribery and one substantive bribery charge. In pleading guilty, Pytel admitted to paying Martin \$5,000 to vote for the Heard, Linebarger, Goggan, Blair, Pena & Sampson bid and to secure Sanders' vote for the bid.

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As a result of their guilty pleas, Pena faces up to 35 years in federal prison and a maximum \$1.25 million fine; Pytel, up to ten years in federal prison and a maximum \$250,000 fine; Sanders, up to ten years in federal prison and a maximum \$250,000 fine; and, Martin, up to five years in federal prison and a maximum \$250,000 fine. No sentencing dates have been set.

This case was investigated by the Federal Bureau of Investigation and the United States Attorney's Office. Assistant United States Attorney Charles Jenkins and David Counts are prosecuting this case on behalf of the government.

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